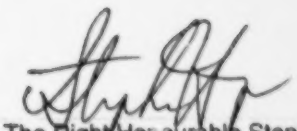
# Privy Council Office

## Departmental Performance Report 2007-2008



The Right Honourable Stephen Harper
Prime Minister of Canada

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# Section I: Overview

## Prime Minister's Message

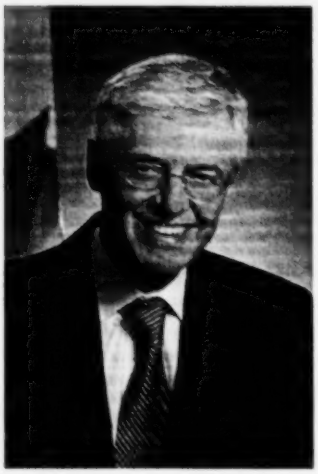
The Government of Canada is committed to the well-being of Canadians and the country. In serving Canada, the Privy Council Office provides essential advice and support to me, as Prime Minister, and to the rest of the Cabinet across the entire spectrum of policy questions and operational issues facing the Government. It upholds the integrity of the Cabinet decision-making system, supports the effective functioning of the Government's day-to-day operations, and leads the renewal of the federal public service.

Over the past year the Privy Council Office supported the coordinated development and implementation of the Government's priorities as presented in the October 2007 Speech from the Throne, and in other key documents, including the October 2007 Economic Statement and Budget 2008. The Privy Council Office also provided ongoing secretariat support to Cabinet and its committees. In February 2008, the Government established a new Cabinet Committee on Afghanistan, supported by a task force within the Privy Council Office, to better coordinate and ensure the effectiveness of Canada's activities in Afghanistan.

I would like to thank the staff of the Privy Council Office and the thousands of federal public servants across this country for their dedication and professionalism. In leading a strong, prosperous and secure Canada, the Government will continue to rely on their capable expertise, advice and support.

It is with pleasure that I present the *Departmental Performance Report* of the Privy Council Office for the year ending March 31, 2008. This document summarizes achievements of the Privy Council Office in meeting the commitments made in the *2007-2008 Report on Plans and Priorities*. I am also pleased to present the 2007-2008 Departmental Performance Report for the Public Appointments Commission Secretariat, included with this report.

## Management Representation Statement



I submit for tabling in Parliament the *2007-2008 Departmental Performance Report* for the Privy Council Office.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007-2008 Estimates: Reports on Plans and Priorities and Departmental Performance Reports:*

- it adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- it is based on the department's Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- it presents consistent, comprehensive, balanced and reliable information;
- it provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- it reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Kevin G. Lynch
Clerk of the Privy Council and Secretary to the Cabinet

## Summary Information

### PCO's Raison d'être

The mandate of the Privy Council Office (PCO) is to serve Canada and Canadians by providing the best professional, non-partisan advice and support to the Prime Minister, the ministers within the Prime Minister's portfolio and the Cabinet. PCO supports the development of the Government's policy agenda; coordinates responses to issues facing the Government and the country; and supports the effective operation of Cabinet. As the head of the Public Service, the Clerk of the Privy Council and Secretary to the Cabinet serves as the principal link between the Prime Minister and the Public Service.

### Organizational Information

The Privy Council Office reports directly to the Prime Minister and is headed by the Clerk of the Privy Council and Secretary to the Cabinet.

As the individual who forms and leads the government of the day, the Prime Minister provides leadership to the Ministry in setting and achieving the government's agenda while maintaining the confidence of the House of Commons. Areas of prime ministerial responsibility include:

- Appointments to key positions, including Ministers, Deputy Ministers and heads of government entities;
- the organization of government, including the structure of Cabinet and its decision-making processes;
- the broad direction of government policy and expenditure;
- federal-provincial-territorial relations; and
- national security matters.

The main roles of PCO are to:

- provide professional, non-partisan advice to the Prime Minister, other ministers in the Prime Minister's portfolio, Cabinet and the chairs of Cabinet committees on questions of national, intergovernmental and international importance;
- support the Cabinet's decision-making system by challenging and coordinating departmental policy, legislative and communications proposals, conducting policy, legal, legislative and communications analysis, and providing secretariat services to the Cabinet and Cabinet committees;
- provide advice on the structure and organization of the government and its entities;
- advance the development of the Government's agenda across federal departments and agencies and with external stakeholders;
- help foster a high-performing and accountable Public Service for the 21st century;

- manage the appointment process for senior positions in federal departments, Crown corporations and agencies; and
- provide administrative support to the Prime Minister's Office, ministers' offices within the Prime Minister's portfolio, commissions of inquiry, task forces and other independent bodies responsible for matters associated with good governance in Canada.

**Strategic Outcome and Program Activity Architecture for 2007-2008**

| | |
|---|---|
| Strategic Outcome | Toward effective government policies and operations, the Privy Council Office ensures that decision making by the Prime Minister and Cabinet is well supported and the institutions of executive government are well supported and maintained. |
| Program Activity | 1. Support for Cabinet decision making and the legislative agenda<br>2. Advice to the Prime Minister and ministers on issues, policies, machinery and appointments<br>3. Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda<br>4. As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians<br>5. Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support<br>6. Provide commissions of inquiry with appropriate administrative support |

During the year 2007-2008, the Privy Council Office modified its Program Activity Architecture (PAA) to better reflect its role, core mandate and program activities across the organization. The approved revised PAA, which will be implemented in fiscal year 2008-2009, will have four program activities instead of six and will be related to PCO's role to support the Prime Minister and portfolio ministers, the Cabinet, the Public Service and the commissions of inquiry.

**Resource Summary**

**Financial Resources (thousands of dollars)**

| 2007-2008 | | |
|---|---|---|
| Planned Spending | Total Authorities | Actual Spending |
| 128,067 | 149,463 | 137,692 |

**Human Resources (full-time equivalents)**

| 2007-2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 937 | 912 | 25 |

**Departmental Priorities**

The following table provides a summary of the department's overall performance in relation to the priorities as set out in the 2007-2008 *Report on Plans and Priorities (RPP)*. Further details on expected results by program activity stemming from these priorities are found in Section II. As indicated below, all 2007-2008 performance milestones identified in the RPP were successfully met.

| Priority | Type | Performance Status |
|---|---|---|
| 1. Support the Prime Minister in exercising his overall leadership responsibility | Ongoing | Successfully met |
| 2. Improve management and accountability of government | Ongoing | Successfully met |
| 3. Focus on key policy areas and strengthen medium-term policy planning | Ongoing | Successfully met |
| 4. Strengthen PCO's internal management practices | Ongoing | Successfully met |

## Program Activities by Strategic Outcome

| Strategic Outcome: | Toward effective government policies and operations, the Privy Council Office ensures that decision making by the Prime Minister and Cabinet is well supported and the institutions of executive government are well supported and maintained. | | | | |
|---|---|---|---|---|---|
| | | | 2007-2008 | | |
| Program Activities | Expected Results | Performance Status | Planned Spending | Actual Spending | Contributes to the Following Priority |
| | | | $000s | $000s | |
| 1. Support for Cabinet decision making and the legislative agenda | Cabinet decision making and legislative agenda are supported | Ongoing or successfully met | 5,458 | 5,121 | 1 |
| 2. Advice to the Prime Minister and ministers on issues, policies, machinery and appointments | The Prime Minister and ministers receive informed and sound advice in support of decision making | Ongoing or successfully met | 59,516 | 53,892 | 1,2,3 |
| 3. Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda | Cabinet receives sound advice on the development and implementation of the policy agenda | Ongoing or successfully met | 22,666 | 23,239 | 3 |
| 4. As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians | The overall development of the public service is fostered | Ongoing or successfully met | 7,197 | 9,638 | 2 |
| 5. Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support | The Prime Minister's Office and the offices of the portfolio ministers receive appropriate financial and administrative support | Ongoing or successfully met | 27,521 | 28,401 | 4 |
| 6. Provide commissions of inquiry with appropriate administrative support | Commissions of inquiry receive appropriate support | Ongoing or successfully met | 5,708 | 17,401 | 4 |
| Total | | | 128,067 | 137,692 | |

## Operating Context

PCO's priorities depend in large part on the Government's agenda and are subject to a variety of internal and external influences. Some of the most significant ones are outlined below.

### Complex and unpredictable environment

Although the Government develops clear and focused priorities, the business of government in a modern society is inevitably complex.

New horizontal issues are arising that require increased collaboration among governments and sectors. Consequently, relationships and policy design are changing. Decision makers are faced with challenges and opportunities that are influenced by varying pressures, international circumstances, budgetary limits and changing expectations. A minority government's situation in both the House of Commons and the Senate added to the complexity of the environment.

To deal with this complexity, PCO must support integration within the federal government community, and encourage teamwork within and across departments and agencies. Strong and effective networks involving the federal government, other orders of government and stakeholders are key success factors. PCO must ensure that it is able to support the Prime Minister in exercising his overall leadership responsibility with a high level of policy and legal expertise as well as analytical capability.

### Public expectations for increased government accountability

Canadians expect their government to provide better and more efficient services at the lowest possible cost. At the same time, they expect their government to make sound decisions, to be transparent and to account for the use of resources.

Over the past year, the Government has introduced a new expenditure management system to ensure that all government programs are effective, efficient, focused on results, aligned with the Government's priorities and responsibilities and provide value for money for taxpayers. PCO, as a central agency and as the Prime Minister's department, has a special duty to lead by example by demonstrating an efficient and effective use of public resources, with excellence as the benchmark.

**Changes in the labour market**

The face of Canada is being reshaped by significant demographic and societal changes, which poses challenges to the Public Service. According to 2006 Census data, the median age has been rising steadily since 1966, reaching 39.5 years in 2006, and could exceed 44 years by 2031. In 2006, the number of people aged 55 to 64 was at an all-time high of nearly 3.7 million. This group made up 16.9% of the working-age population compared with 14.1% in 2001 and is predicted to represent more than 20% of the working-age population in 2016. According to population projections, Canada may face workforce shortages in approximately 10 years, thereby creating an urgency to develop and implement strategies for the transfer of knowledge, continuous learning, employee retention and succession planning.

In a strong national labour market, the Public Service is competing for talent with many other organizations, from businesses to universities to non-governmental organizations that are actively competing to recruit Canada's top university and community college graduates.

In addition to our aging population, visible minorities now account for 16.2% of Canada's total population. Their presence in the workforce is significant. Immigrants represented almost 70% of the net growth of the Canadian labour force between 1990 and 2001. By 2011, it is projected that immigration will account for 100% of Canada's net labour force growth.[1]

**Risks and challenges**

People are PCO's main asset and the main factor in successfully achieving our business objectives. To fulfill its role of providing sound policy advice and support to the Prime Minister and Cabinet, PCO relies extensively on its ability to attract, recruit and retain high-calibre policy analysts and advisors with specific subject-matter expertise who possess the experience, knowledge, analytical capability, ability to work under pressure and, above all, the dedication to provide exceptional quality service. Due to the workforce demographic, the current labour market and the high-pressure nature of its work, PCO, like many departments and agencies, is challenged to fully staff its organization. Integrated business and human resources planning is important in addressing this situation.

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1. Statistics Canada. Canada's Ethnocultural Mosaic, 2006 Census, and Statistics Canada. The Daily, Monday, September 10, 2007.

The responsibility of PCO to support the Prime Minister and Cabinet, ensure continuity of constitutional government and provide leadership for the Public Service means it must be capable of operating in all environments. Therefore PCO must be able to function 24 hours a day and seven days a week, regardless of the circumstances, which could range from business as usual to natural disasters (e.g. ice storms) to accidents (e.g. power interruptions) to deliberate actions (e.g. terrorism). PCO continues to build on progress already made in the area of emergency preparedness in order to continually improve its capacity to provide support and advice, regardless of the situation.

**Alignment of PCO's Outcome with Government of Canada Outcomes**

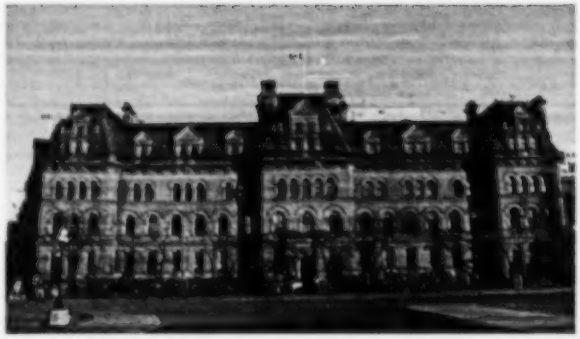
PCO's strategic outcome is aligned with the Government of Canada outcome number four: "Government Affairs."

Canada's Performance Report to Parliament describes the federal government's contribution to Canada's performance as a nation by providing an overview of how individual departments and agencies contribute to broader, government-wide outcomes in the following key policy areas: economic affairs, social affairs, international affairs and government affairs (federal organizations that support all departments and agencies).

PCO plays an important, supportive role in ensuring a whole-of-government approach and integrated response to issues that affect Canadians. It works across portfolio boundaries and helps other government departments and agencies meet their responsibilities, deliver on their core mandates and, ultimately, serve Canadians better.

## Overall Departmental Performance

### Priorities



As mentioned previously, PCO focused on four priorities over the course of the year.

**1. Support the Prime Minister in exercising his overall leadership responsibility**

PCO provided support in a number of key areas. Examples of its activities include: providing policy and legal advice on the structure and organization of Cabinet, Cabinet committees and Cabinet decision making, including the changes to the Ministry in August 2007, the creation of a new Cabinet committee, and the modification of the mandate of one committee; supporting the implementation of the Government's democratic reform agenda, including a number of pieces of key legislation; continually improving the Governor-in-Council appointment process; coordinating the Government of Canada's security and intelligence activities to support the Prime Minister in his responsibility for the security of Canada and Canadians; providing advice and support to the Prime Minister in his overall responsibility for the management of relations with the provinces and territories; and providing advice and operational support for the management of the Government's parliamentary agenda in a minority situation, including support for the legislative program for the new session of Parliament in October 2007.

**2. Improve the management and accountability of government**

PCO continued to play a central role in assisting the Prime Minister and Cabinet in enhancing the overall management, transparency and accountability of government while ensuring that the objectives of improved efficiency and efficacy were met. PCO supported the renewal of the Public Service of Canada, grounding renewal initiatives in the business of government to ensure that the 21st century public service reflects excellence and leadership at all levels. Additionally, it concentrated its efforts on supporting the Government in meeting its commitment to implement the *Federal Accountability Act* and Action Plan and other key measures aimed at ensuring integrity, accountability, responsibility and excellence in public administration. It also assisted the Government in increasing the effectiveness and accountability of Canada's democratic institutions and practices.

**3. Focus on key policy areas and strengthen medium-term policy planning**

PCO provided advice and supported the development and implementation of the Government's agenda in the fields of social, economic and international policy, as set out in the Speech from the Throne (www.sft.ddt.gc.ca). It also identified emerging issues to inform Cabinet's deliberations and, through long-term strategic thinking, provided advice for the Government's forward-looking agenda.

Some specific achievements related to this priority include:

- timely, comprehensive, assessments of foreign trends and developments that might affect Canadian foreign policy, trade, defence and security interests;
- creation of a Cabinet Committee on Afghanistan and an Afghanistan Task Force;
- advice and support to the Government on the tackling crime agenda;
- advice and support to the Government on the implementation of open federalism;
- facilitation and coordination of a number of economic initiatives and environmental policies and programs in support of the Government's broader human health and healthy environment objectives;
- development of strategies to enhance the effectiveness of the overall Cabinet decision-making process.

**4. Strengthen PCO's internal management practices**

Achieving excellence in management requires the ongoing strengthening of PCO's internal management practices, consistent with the standards of management outlined in the Management Accountability Framework (MAF). PCO continued its efforts to integrate human resources planning with the business planning process by producing an integrated business and human resources plan for 2008-2009. PCO also strengthened emergency management and business continuity capacity within PCO. Further information on PCO's efforts to improve its management accountability is provided in Section IV, Other Items of Interest.

# Section II: Analysis of Program Activities by Strategic Outcome

This section provides information about PCO's program activities, including key achievements. These program activities support PCO's only strategic outcome: "Toward effective government policies and operations, the Privy Council Office ensures that decision making by the Prime minister and Cabinet is well supported and the institutions of executive government are well supported and maintained."

**Strategic Outcome**

*Toward effective government policies and operations, the Privy Council Office ensures that decision making by the Prime Minister and Cabinet is well supported and the institutions of executive government are well supported and maintained.*

## Program Activity 1: Support for Cabinet decision making and the legislative agenda.

**Financial Resources (thousands of dollars)**

| 2007-2008 | | |
|---|---|---|
| Planned Spending | Authorities | Actual Spending |
| 5,458 | 5,559 | 5,121 |

**Human Resources (full-time equivalents)**

| 2007-2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 49 | 42 | 7 |

**Description**

PCO is the guardian of the Cabinet decision-making process and carries out a coordination function, providing Cabinet and its committees with the support required to prepare for and conduct meetings.

PCO provides consultations, research and advice to facilitate decision making and legislation. PCO also provides advice and support on the management of the Government's legislative and parliamentary agenda to the Prime Minister, the Leader of the Government in the House of Commons and Minister for Democratic Reform, the Leader of the Government in the Senate and Secretary of State (Seniors), the President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification, and the Secretary of State and Chief Government Whip.

| 1. Support for Cabinet decision making and the legislative agenda | | |
|---|---|---|
| Expected Result | Priorities Supported | Performance Indicators[2] |
| Cabinet decision making and the legislative agenda are supported | Support the Prime Minister in exercising his overall leadership responsibility | • Report in the Departmental Performance Report (DPR) on the consultation, coordination and integration mechanisms managed by PCO in support of Cabinet decision making and the development of legislation<br>• Report in the DPR legislative achievements in relation to the legislative agenda<br>• Report in the DPR on changes made to Cabinet decision-making structures |

Given the nature of the work of the Privy Council Office, it is important to note that while the performance indicators can provide some quantitative measures linking accomplishments and performance, they cannot alone demonstrate the complexity of the analysis and research necessary to achieve the goals nor the scope or range of the different activities.

**Key Achievements**

**Parliamentary agenda**

During 2007-2008, PCO supported the development and implementation of the Government's parliamentary agenda. PCO provided advice and operational support for the management of the Government's parliamentary agenda in a minority situation as well as for the introduction of specific bills to further the Government's priorities, including bills to strengthen Canada's economy, improve the environment and health of Canadians, improve the safety and security of Canadians and their communities, and advance the Government's democratic reform program.

This support contributed to the Government's success in moving a wide range of important bills through Parliament.

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2. PCO's key role in many cases is to provide advice and support to the Prime Minister, ministers in his portfolio and Cabinet. Despite extensive efforts over the past few years, PCO is challenged to find meaningful and useful qualitative and quantitative measures of this work. Therefore, quantitative measures have been developed to serve as a proxy, with the full understanding of their limitations, one of the key ones being that they cannot alone demonstrate the complexity of the analysis and research necessary to achieve the goals nor the scope or range of the different activities. However, the value of these quantitative measures to the managers in PCO is that within one area (e.g. machinery of government, legislation or social policy) they can be used to show the trends in volume of activity, and explanations of the variances can help determine what action may be required.

A specific example of PCO's activities in this area is the advice and operational support provided to the Government for the implementation of its democratic reform program as well as for bills to amend the *Canada Elections Act*, including:

| Democratic Reform | | Canada Elections Act | |
|---|---|---|---|
| *Bills Passed* | | *Bills Reintroduced* | |
| Bill C-16 | Fixed Dates for Elections | Bill C-6 | Visual Identification of Voters |
| Bill C-31 | Voter Identification and the Integrity of the Electoral Process | Bill C-16 | Expanded Voting Opportunities |
| Bill C-18 | Provisions for Rural Voters | Bill C-29 | Treatment of Loans |
| *Bills Reintroduced* | | | |
| Bill C-19 | Senate Tenure | | |
| Bill C-20 | Senate Appointment Consultations | | |
| Bill C-22 | Democratic Representation | | |

The Government also reported the results of a public consultation process on democratic reform. (www.democraticreform.gc.ca)

**Cabinet Committees**

In support of Cabinet decision making, PCO provided advice to the Prime Minister on the Cabinet committee structure, including the creation of the new committee on Afghanistan; provided secretariat support to the Cabinet and Cabinet committees; provided policy and meeting management advice to chairs of Cabinet committees; performed a challenge function on policy and legal advice and worked to ensure that a standard of quality was met for the policy and legislative proposals presented to Cabinet committees; and continued to provide Cabinet committees with timely information to support decision making and improve the efficiency of meetings.

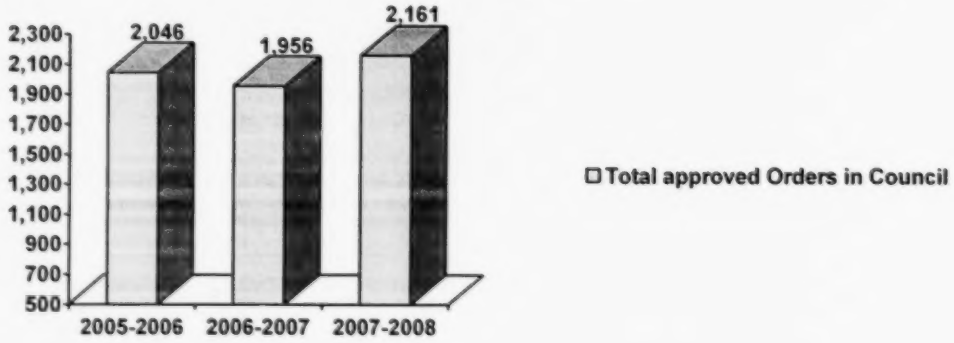
PCO ensured the smooth functioning of the Cabinet decision-making process, thereby facilitating the implementation of the Government's agenda by managing the flow of committee business and emerging issues, and providing secretariat support to the Cabinet committees and related ad hoc committees.

In addition to secretariat support for 149 regular meetings of full Cabinet and Cabinet committees, PCO organized several Cabinet planning retreats.

**Orders in Council**

PCO provided secretariat services to the Treasury Board Cabinet Committee in relation to the approval of Orders in Council, Regulations and other Statutory Instruments and provided advice on the use of Orders in Council and/or Instruments of Advice. PCO produced and distributed Orders in Council, prepared a weekly agenda for submission of these documents to Treasury Board, transmitted Orders and Instruments to the Governor General for final approval, and administered the responsibilities of the Clerk of the Privy Council that are set out in the *Statutory Instruments Act* regarding the registration and publication of Regulations in Part II of the *Canada Gazette*. PCO also coordinated special events such as the swearing in of Cabinet ministers, parliamentary secretaries and provincial lieutenant governors. The following chart details the number of Orders in Council that were produced and distributed.

**Orders in Council[3]**
**Fiscal Year Statistical Report**



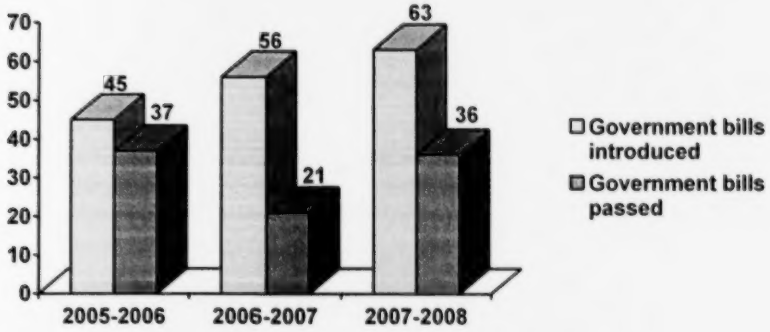

3. Orders in Council are legal instruments made by the Governor in Council pursuant to a statutory authority or, less frequently, the royal prerogative. All Orders in Council are made on the recommendation of the responsible Minister of the Crown and take legal effect only when signed by the Governor General. (Orders in Council include appointments, regulations, statutory instruments and other orders, e.g. orders for international agreements, coming into force date of legislation, official Government responses and granting of citizenship.) The total number of approved Orders in Council reported as part of last year's DPR report (2006-2007) was reported on a calendar-year basis. Therefore, the previously reported figure of 1,634 (calendar year) is replaced with the above listed figure of 1,956 for the fiscal year 2006-2007.

**Legislation**

PCO provided support for the legislative program for the new session of Parliament in October 2007, where new bills furthering the Government's agenda were introduced and passed.

PCO provided the Prime Minister, Cabinet committees, the Leader of the Government in the House of Commons and Minister for Democratic Reform, and the Leader of the Government in the Senate and Secretary of State (Seniors) with policy advice and legislative support for key Government priorities in Parliament. In 2007-2008, PCO assisted the Government with the introduction of 63 bills that furthered the Government's top agenda items and included measures to strengthen the Canadian economy, improve the safety and security of Canadians, and improve the environment for Canadians. The following chart details the number of Government bills introduced and passed. PCO provided support for the bills at all stages.

**Statistics on Activities Related to Legislation**

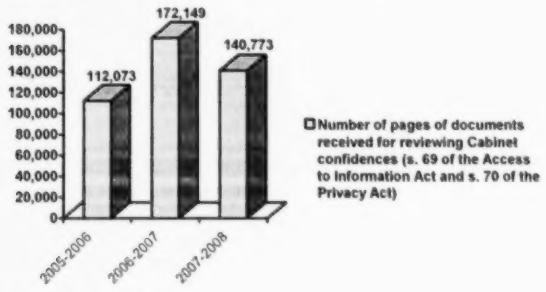



PCO assisted the Government with the coordination and production of Government responses (Parliamentary Returns) to parliamentary inquiries for information, including public petitions, parliamentary written questions and notices of motions for the production of papers. During the 2007-2008 fiscal year, the Government provided Parliament with approximately 1,300 answers to such inquiries.

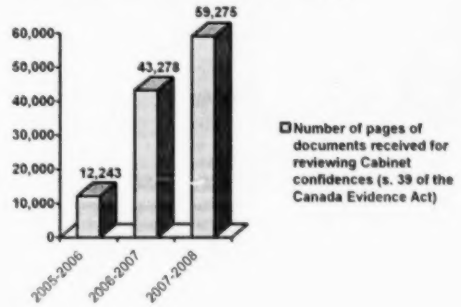
**Cabinet confidences**

PCO supports the Clerk in his role as custodian of Cabinet confidences from current and previous ministries and is responsible for providing advice on policy and legal issues relating to Cabinet confidences. PCO serves as the primary point of contact for all federal departments and agencies regarding contentious issues involving Cabinet confidences. It is also responsible for ensuring that deadlines imposed by either the Courts under the *Canada Evidence Act* or by the legislative requirements of the *Access to Information Act* and the *Privacy Act* are met on an ongoing basis and that provisions of those statutes are properly applied by PCO officials. It is responsible for reviewing Cabinet documents requested by the Office of Auditor General (OAG) and providing the OAG with information in accordance with the Orders-in-Council P.C. 1985-3783 and P.C. 2006-1289 on access to Cabinet confidences. It is also responsible for reviewing documents for the purposes of production in respect of Crown litigation, Commissions of Inquiry and Parliamentary committees. The following chart indicates the number of pages of documents received for reviewing Cabinet confidences.

**Cabinet confidences (s. 69 of the *Access to Information Act* and s. 70 of the *Privacy Act*)[4]**




**Cabinet confidences (s. 39 of the *Canada Evidence Act*)[5]**




**Cabinet documents (requests from the Auditor General) 3-Orders-in-Council P.C. 1985-3783 and P.C. 2006-1289**

| Year | Number of pages reviewed (not including documents other than Cabinet documents from the PCO Cabinet Paper System): |
|---|---|
| 2005-2006 | 7,153 |
| 2006-2007 | 8,919 |
| 2007-2008 | 975 |

**Litigation/Commissions of Inquiry - Production of documents**

| Year | Number of pages reviewed |
|---|---|
| 2005-2006 | 1,738 |
| 2006-2007 | 14,699 |
| 2007-2008 | 36,558 |

4. Please refer to Section IV for more information on s. 69 of the *Access to Information Act* and s. 70 of the *Privacy Act*.
5. Please refer to Section IV for more information on s. 39 of the *Canada Evidence Act*.

**Program Activity 2:** Advice to the Prime Minister and ministers on issues, policies, machinery and appointments.

**Financial Resources (thousands of dollars)**

| 2007-2008 | | |
|---|---|---|
| Planned Spending | Authorities | Actual Spending |
| 59,516 | 62,679 | 53,892 |

**Human Resources (full-time equivalents)**

| 2007-2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 419 | 391 | 28 |

**Description**

PCO serves as the department for the Prime Minister and also supports ministers in the Prime Minister's portfolio including the President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification, the Leader of the Government in the House of Commons and Minister for Democratic Reform, the Leader of the Government in the Senate and Secretary of State (Seniors), and the Secretary of State and Chief Government Whip. It consults with key stakeholders, coordinates advice across government departments and agencies, and provides strategic policy, expenditure and communications advice on social, economic, legal, environment, security, intelligence, foreign and defence issues as well as intergovernmental relations. In addition, working with the Department of Finance and the Treasury Board Secretariat, PCO provides the Prime Minister with ongoing strategic analysis and advice on economic, legal, financial and fiscal matters.

PCO supports the Government in the coherent and coordinated communication of its overall agenda objectives and priorities, and advises the Prime Minister and his office on the concerns and priorities of Canadians through ongoing public opinion research and media monitoring.

PCO provides advice to the Prime Minister with respect to machinery of government issues and appointments of senior personnel.

| **2. Advice to the Prime Minister and ministers on issues, policies, machinery and appointments.** | | |
|---|---|---|
| Expected Result | Priorities Supported | Performance Indicators |
| The Prime Minister and ministers receive informed and sound advice in support of decision making | • Support the Prime Minister in exercising his overall leadership responsibility<br>• Focus on key policy areas and strengthen medium-term policy planning<br>• Improve the management and accountability of government | • Report in the DPR on the consultation, coordination and integration mechanisms managed by PCO in support of Cabinet decision making<br>• Report in the DPR on issues managed by the Prime Minister and Cabinet with PCO support |

## Key Achievements

### Organization and structure of government entities

Throughout 2007-2008, PCO supported the Prime Minister in the exercise of his prerogative regarding the organization and structure of government entities (machinery of government), the reassignment of ministers during the August 2007 Cabinet shuffle, the setting of the ministers' and secretaries' of state mandates, the organization of Cabinet and its committees (including the creation of a new Cabinet Committee on Afghanistan), ministerial accountability, and the appointment or reassignment of parliamentary secretaries.

PCO provided the Prime Minister with advice and support in relation to the creation of a number of new entities, such as independent, arm's-length bodies (the Indian Residential Schools Truth and Reconciliation Commission, a trust to administer the First Nations Market Housing Fund); Crown corporations (the Canadian Human Rights Museum, the Canada Employment Insurance Financing Board, the PPP Canada Inc.); an ombudsman (for taxpayers); and a quasi-judicial tribunal (the Specific Claims Tribunal).

PCO also provided advice on the realignment of responsibilities to optimize service delivery to Canadians, for example by enabling Service Canada to assist Passport Canada in meeting the increased demand for Canadian passports, and to assist Transport Canada in the processing of applications under the ecoAUTO Rebate Program. Other realignments included the transfer of responsibilities for the Mackenzie Gas Project from Indian and Northern Affairs Canada to Industry Canada.

PCO also supported the Prime Minister and the Government by providing policy and legal advice on the Westminster system of government used in Canada, namely on the principles of ministerial responsibility, the roles and responsibilities of deputy ministers, and matters regarding accountability.

**Governor-in-Council selection and appointment process**[6]

In support of the Government's commitment to make qualified appointments following selection processes that are widely publicized and fairly conducted, PCO continued to take concrete steps in 2007-2008 to further refine the Governor-in-Council (GIC) appointment process.

In December 2007, PCO launched a redesigned GIC appointments website (www.appointments-nominations.gc.ca) where current GIC opportunities are publicized. The website was redesigned to ensure that more information about the agencies, boards, commissions and Crown corporations to which the Government makes appointments is fully accessible to all Canadians interested in being considered for appointment to public office. Fact sheets on the GIC appointment process were developed and posted on the website. In addition to these content enhancements, PCO made significant technological improvements to the website, ensuring that it is easier to navigate and more visually appealing to site visitors.

PCO continued to manage rigorous selection processes for all key positions (i.e. heads of agencies, chairs and chief executive officers of Crown corporations) while departments managed the appointment process for members of boards and commissions. Selection criteria for these positions were developed, notices of vacancy were published in the *Canada Gazette* and on the GIC appointments website, applications were reviewed and assessed, and interviews and/or reference checks were conducted with respect to the most qualified candidates. During this period, a total of 1,043 GIC appointments were made (excluding auditor and judicial appointments). Forty processes were launched to fill key positions in 2007-2008 including the President of the Canadian Broadcasting Corporation, the President of the Canadian Institutes of Health Research and the Principal of the Royal Military College. In addition, PCO successfully supported the appointment process for a number of new positions established by the *Federal Accountability Act*, including the Conflict of Interest and Ethics Commissioner, the Public Sector Integrity Commissioner and the Procurement Ombudsman.

PCO provided policy advice and analysis to the Committee on Senior Level Retention and Compensation. This committee provides independent advice and recommendations to the government on long-term compensation strategies for senior levels of the Public Service.

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6. A Governor-in-Council (GIC) appointment is one made by the Governor General, on the advice of the Queen's Privy Council of Canada (i.e. the Cabinet). The appointments are made through an Order in Council and range from heads of agencies and chief executive officers of Crown corporations to members of quasi-judicial tribunals.

**Democratic reform**

PCO supported the Prime Minister and the Leader of the Government in the House of Commons and the Minister for Democratic Reform in developing and implementing the Government's democratic reform agenda. This included legislation to improve the administration of the voting process, and reforms relating to the Senate of Canada (i.e. fixed length of tenure and consultations with the electorate about appointments) and democratic representation. PCO consulted with relevant departments and agencies on democratic reform and other electoral matters, and liaised with other governments in Canada and abroad and with academia to examine practices in other jurisdictions. Based on this information, PCO prepared policy and legal analysis and advice for the Prime Minister and Cabinet to examine the issues, and then worked with the Department of Justice to prepare the required legislation. PCO supported the Minister for Democratic Reform in managing the progress of the legislation through the House of Commons and Senate. As a result, nine government democratic reform bills, including two constitutional amendments, were examined in Parliament during the 2007-2008 period. The Government also reported the results of a public consultation process on democratic reform. (www.democraticreform.gc.ca).

**Development and implementation of domestic and international initiatives**

PCO was a key contributor to the development of the Government's foreign policy and international development agendas. It provided coordination and guidance to the interdepartmental community in the planning, analysis and development of a strategic plan to realign our foreign policy and development priorities in order to promote efficiency, effectiveness and accountability, and to advance Canada's national interests and strengthen Canadian sovereignty internationally, taking into consideration the Canadian values of freedom, democracy, human rights and the rule of law.

PCO was constantly alert to the evolving international situation, producing a range of strategic, forward-looking assessments and providing advice on foreign trends and developments that might affect Canadian foreign policy, trade and security interests that reflect broad Canadian interests and the Government's policy agenda, notably on Afghanistan, Arctic issues and international terrorism. PCO regularly consulted with government departments to evaluate the impact of emerging issues on Canadian interests and government policies.

PCO supported the Prime Minister in exercising his leadership by providing support for 26 incoming and outgoing visits and summits to advance Canadian interests in major international forums, foster greater cooperation in North America and promote closer relations with key partners.

PCO continued to produce comprehensive, intelligence assessments with an interdepartmental perspective. It also coordinated interdepartmental expert groups on a series of key international issues of interest to the Government of Canada.

PCO supported the Prime Minister and the Minister of Intergovernmental Affairs in managing relations with the provinces and territories through one multilateral First Ministers' Meeting, 39 bilateral exchanges between the Prime Minister and Premiers, and 24 exchanges involving the Minister of Intergovernmental Affairs and her provincial and territorial counterparts.

PCO also provided policy and logistical support to the Clerk and federal deputy ministers for bilateral meetings with counterparts in Ontario, Alberta, British Columbia and the four Atlantic provinces, to exchange ideas and share perspectives on current policy issues.

**New expenditure management system**

The government recently redesigned the expenditure management system, particularly those elements related to policy priority setting, off-cycle funding and reallocation of resources. A key element of this new system was a strategic review of all direct program spending.

While the overall exercise was led by the Treasury Board, PCO played an active role in the first round of Strategic Reviews that took place in 2007-2008, increasing its capacity in this area in order to monitor the process for the Prime Minister, provide support to identify and assess policy and communication risks arising from Strategic Reviews, and ensure the compilation of follow-up work to help resolve any policy issues raised by the Strategic Reviews. As reported in the Budget Plan 2008, the first round of Strategic Reviews examined departmental spending amounting to $13.6 billion and identified savings of $386 million per year that were redirected to fund new initiatives, both within reviewed departments and broader spending priorities.

**400th anniversary of the founding of Québec City**

PCO was tasked with coordinating across the federal government the celebration of the 400th anniversary of the founding of Québec City. PCO supported the Government and the Prime Minister by providing analysis and advice in the management of federal activities and the development of communications products. The Government of Canada invested more than $110 million toward infrastructure legacy projects and the programming for the festivities in Québec City, as well as for celebrating activities across the country.

**Security for the Vancouver 2010 Olympic and Paralympic Winter Games and the G8 Leaders' Summit**

Security planning for the 2010 Olympics in Vancouver and the G8 Leaders' Summit is multi-faceted and involves a large number of federal, provincial and local government players, as well as the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games. The world will be looking to Canada to host safe and secure events for world leaders, participants and citizens. As such, the Government of Canada has a key role in ensuring that security planning and measures are undertaken in a coordinated and timely manner. In support of this role, PCO created a federal coordinator position to help facilitate a whole-of-government approach to security, while advancing effective relations with international allies.

**Program Activity 3:** Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda

**Financial Resources (thousands of dollars)**

| 2007–2008 | | |
|---|---|---|
| Planned Spending | Authorities | Actual Spending |
| 22,666 | 24,367 | 23,239 |

**Human Resources (full-time equivalents)**

| 2007–2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 186 | 175 | 11 |

**Description**

PCO staff consult with stakeholders, research issues and prepare briefing material on the Government's policy agenda. PCO staff provide guidance to departments and agencies on the Government's policy agenda; advice to Cabinet and the Prime Minister on the development and coordination of the Government's policy agenda and the Speech from the Throne; and assistance for the development of forward-looking, coherent and integrated medium-term policy advice. PCO also exercises a challenge function in respect of policy proposals being brought forward by departments.

**3. Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda**

| Expected Result | Priorities Supported | Performance Indicators |
|---|---|---|
| Cabinet receives informed and sound advice on the development and implementation of the policy agenda | Focus on key policy areas and strengthen medium-term policy planning | • Report in the DPR on the consultation, coordination and integration mechanisms managed by PCO in support of policy development<br>• Report in the DPR on policy achievements and activities |

## Key Achievements

### Facilitating the policy agenda

PCO played a critical role in advancing the Government's agenda in support of Cabinet through strong and effective coordination of the October 16, 2007, Speech from the Throne (www.sft-ddt.gc.ca). Following the opening of the new Parliamentary session, PCO's role continued by providing advice and support on legislative priorities and initiatives; ensuring collaboration among departments in bringing forward legislative initiatives; and coordinating draft legislation for Cabinet consideration. As a result, the Government was able to advance its policy agenda through Parliament. A total of 63 Government bills were introduced in 2007-2008.

PCO assisted the Prime Minister and Cabinet in defining objectives and priorities for the overall policy agenda of the Government. It facilitated and coordinated the advancement of all areas of the agenda including social, economic, environmental, intergovernmental, international and security policy. It did so, in part, through the exercise of the challenge function, ensuring that policy proposals presented to Cabinet and Cabinet committees by federal departments and agencies were well prepared, complete and consistent with the Government's agenda priorities. PCO ensured that these priorities were respected and effectively coordinated, while recognizing that departments had the lead and were accountable for implementing policies in programs consistent with their areas of responsibility and in line with Treasury Board management policies.

In addition to exercising a challenge function on departmental proposals, PCO also supported policy development by providing logistical support to the Clerk of the Privy Council for a range of deputy ministers' meetings. The Clerk chairs core deputy minister committees that advance integrated policy development consistent with Government priorities, and coordinates deputy minister engagement in medium-term management and human resources planning.

In 2007-2008, PCO provided logistical support and policy advice to the Clerk for 100 deputy minister meetings and two deputy minister retreats. The number of deputy minister policy committees was expanded to include a new committee on the Arctic, supported by Indian and Northern Affairs Canada, a new National Security committee and sub-committee on Intelligence supported by PCO, and a new committee on Afghanistan, also supported by PCO.

*The Social Policy Agenda*

PCO provided ongoing advice and support to the Government for the tackling crime agenda including new legislative measures that address violent and non-violent crime (e.g. the *Tackling Violent Crime Act*, strengthening the *Youth Criminal Justice Act*, and provisions to protect against identity theft). PCO also supported cross-government work in the development and implementation of the National Anti-Drug Strategy, which targets youth and community safety by promoting action plans developed to address three priority areas: prevention, treatment and enforcement.

Throughout 2007-2008, PCO provided advice and support to the Prime Minister, the Cabinet and the Clerk of the Privy Council Office on a number of key social policy issues and provided secretariat support for the Cabinet Committee for Social Affairs.

PCO assisted in the development of a Food and Consumer Product Safety Action Plan, including a consultation process with Canadians in the development of the Action Plan and the drafting and introduction of Bill C-51, Amendments to the Food and Drugs Act, and Bill C-52, the new Canada Consumer Product Safety Act. PCO also supported the development of health policies and initiatives such as the Action Plan for the Protection of Human Health from Environmental Contaminants that supported the Government's priority to not only improve the health of Canadians, but also to demonstrate and address links between the environment and health.

The Aboriginal agenda is another social policy area in which PCO has been actively engaged, including several important initiatives, such as the Indian Residential Schools Settlement implementation; historic reforms to the Specific Claims process to bring fair and timely resolution to these claims; the development of an action plan to improve access to safe drinking water in First Nation communities; and enhancements to Aboriginal labour market programming.

Furthermore, PCO has played an ongoing role, working in concert with the departments of Human Resources and Social Development, and Citizenship and Immigration, in implementing the Government's *Advantage Canada* commitments, specifically those related to the knowledge advantage. This includes legislation introduced through the Budget to speed up the processing of permanent resident applications, ensuring shorter wait times and making Canada's immigration system more competitive.

PCO has also been engaged on a wide range of files in other social policy areas, such as multiculturalism and Canadian identity, museum policy, poverty, labour, sport and official languages.

*The Economic Policy Agenda*

During 2007-2008, PCO provided essential support to departments for a number of key economic initiatives that contributed to the Government's policy agenda. PCO provided advice concerning economic policy and funding proposals by departments, particularly those considered by the Cabinet Committee on Economic Growth and Long-term Prosperity.

PCO provided advice in support of governmental initiatives including measures to complement the implementation of major investments in infrastructure through the Building Canada plan. PCO advised on measures to support a balanced implementation of national merit-based funds also available under the Building Canada plan. PCO supported making the Gas Tax Fund permanent in order to enhance long-term cooperation with provinces, territories and municipalities when addressing municipal infrastructure needs. Greater support for capital investments in public transit through the Public Transit Capital Trust, and the establishment of P3Canada to support public-private partnerships are two additional examples of further investments complementing the Building Canada plan that have benefited from PCO advice on infrastructure investment.

To enhance *Advantage Canada*'s commitment to invest in people, knowledge, modern infrastructure and a sound and efficient financial sector for global success, PCO advice also supported the establishment of the Automotive Innovation Fund for strategic, large-scale R and D projects for innovative, greener and more fuel-efficient vehicles; additional investments in support of the Government's S and T strategy including improvements to the Scientific Research and Experimental Development program; and the Global Commerce Strategy to enhance prospects for greater economic success by Canadian firms competing for markets at home and abroad.

In recognition of the importance of small and medium-sized enterprises to the Canadian economy, PCO furthered the Government's economic agenda by providing advice in support of: reducing the paper burden on businesses by 20 percent by November 2008; implementing BizPal (simplified access to information required for permits and licences); reducing the small business tax rate to 11 percent; and raising the lifetime capital gains exemption for small business owners.

*The Environmental Policy Agenda*

PCO continued to provide agenda management and logistical support for the Environment and Energy Security Committee, particularly the clean air agenda and most importantly the Regulatory Framework on Industrial Greenhouse Gas Emissions.

Over the last year the Environment and Energy Security Committee refined the regulatory framework, resulting in the release of a final framework in early March 2008 of this year. Progress was made on a number of other key components of the Government's environmental agenda including: biofuels incentives; renewable fuel content regulations (introduced in Parliament last year, now passed by both the House of Commons and the Senate); climate change adaptation programs; a vehicle scrappage program; carbon capture and storage; and motor vehicle fuel consumption standards.

PCO also facilitated and coordinated a number of environmental policies and programs that supported the Government's broader human health and environmental quality objectives. For example, as part of the Chemicals Management Plan, the Government selected approximately 200 chemicals for priority review, one of which was bisphenol A, a chemical building block used primarily to make polycarbonate plastic and epoxy resins. As a result of the review, Canada became the first country in the world proposing action on bisphenol A, ensuring the safety of the health of Canadians, particularly our most vulnerable, such as newborns and infants, and protecting our environment.

*The International, Defence and Security Agenda*

PCO provided advice to departments bringing policy and funding proposals to the Cabinet Committee on Foreign Affairs and Security. PCO continued to provide agenda management and logistical support for the committee. In addition, PCO supported the formation of the Cabinet Committee on Afghanistan and established the Afghanistan Task Force at PCO in February 2008.

PCO supported Cabinet by assisting in the coordination of Government efforts and by advising, developing and assisting in the analysis and implementation of policy related to the development of the Canada First Defence Strategy, which also saw PCO support the temporary creation of a working group of ministers to advance this policy agenda.

Throughout 2007-2008, PCO provided essential and ongoing advice and support to a wide range of federal departments, including the Department of Foreign Affairs and International Trade (DFAIT), the Canadian International Development Agency (CIDA), National Defence, Public Safety, and Public Works and Government Services, and many others regarding the development and implementation of the Government's international and defence policies. For example, PCO worked closely with DFAIT and CIDA and the interdepartmental community to develop and coordinate new, focused and coherent foreign policy, trade and aid policy agendas.

Led by the National Security Advisor to the Prime Minister, PCO continued to coordinate issues in the security and intelligence community regarding national security, emergency management and intelligence to ensure consistency and cohesiveness among departments and agencies across the spectrum of activities, from priority setting to operational coordination to consistency in communications.

PCO carried out its coordination function by working closely with key departments and agencies, building and maintaining effective relationships with our allies, providing advice to the Prime Minister on priorities, and preparing assessments of foreign developments that had the potential to affect Canadian interests. For example, PCO was involved in border- and transportation-security capacity building, including cross-border policing frameworks and initiatives. As well, PCO worked with stakeholders in the security and intelligence community to advance a revised Security Certificates regime with amendments to the *Immigration and Refugee Protection Act* in response to the Supreme Court of Canada decision in the Charkaoui case. This regime was established before the February 23, 2008 deadline and transition to the new regime is underway.

*The Intergovernmental Agenda*

PCO supported the Government and the Minister of Intergovernmental Affairs in the management of the federation.

PCO continued to provide support and advice to the Prime Minister, Cabinet and federal departments on the intergovernmental aspects of federal initiatives, notably to ensure that federal spending in provincial areas of responsibility would be carried out consistent with the Government's undertakings regarding the spending power. Examples include the commitment in Budget 2008 to replace the Millennium Scholarship program with the more flexible Canada Student Grant Program. Similarly, the creation of trusts for community development, public transit and police officers afforded a response to local needs in a manner that provided provinces and territories with the full capacity to determine when and how to spend funds, with accountability to their own public for their use. PCO supported the Prime Minister in the organization of a First Ministers' Meeting in January, 2008, that allowed for timely and focused discussion on the pressing matters of the Canadian economy.

**Program Activity 4:** As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians.

**Financial Resources (thousands of dollars)**

| 2007–2008 | | |
|---|---|---|
| Planned Spending | Total Authorities | Actual Spending |
| 7,197 | 7,757 | 9,638 |

**Human Resources (full-time equivalents)**

| 2007–2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 58 | 63 | (5) |

**Description**

PCO staff consult stakeholders, research issues and work with responsible agencies to provide advice on the development and implementation of the overall management agenda for the Public Service and its human resources management policies and programs.

**4. As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians**

| Expected Result | Priorities Supported | Performance Indicators |
|---|---|---|
| The overall development of the Public Service is fostered | Improve the management and accountability of government | • Annual Report to the Prime Minister on the Public Service of Canada<br>• Report in the DPR on the consultation, coordination and integration mechanisms managed by PCO to provide advice on public service human resources management<br>• Report in the DPR on achievements and activities |

## Key Achievements

### Public Service renewal

The Clerk, as head of the Public Service, continued to place a great deal of importance on public service renewal as one of the key priorities for the foreseeable future. During the course of the year, the Clerk established tangible commitments to Renewal, through the 2007-08 Public Service Renewal Action Plan, in each Deputy Minister's performance management agreement. Departments and agencies made measurable progress in all four renewal pillars: planning, recruitment, employee development and enabling infrastructure. Several important activities continued under the Clerk's leadership in order to advance public service renewal.

The Deputy Ministers' Committee on Public Service Renewal, established in 2006-2007 and chaired by the Associate Secretary to the Cabinet, continued its work as the senior committee overseeing and driving the renewal process. The committee met 15 times over the course of the year to discuss renewal approaches and to establish priorities for the short-, medium- and long-term.

Throughout the year, the Clerk acted as the key spokesperson for the Public Service on numerous occasions. Examples include a town hall meeting with public service employees in Vancouver, a speech to the Canadian Foundation for Innovation and the convocation address at Mount Allison University, and participation at meetings of the Association of Professional Executives of the Public Service of Canada as well as speeches at the Assistant Deputy Minister Forum meetings. During the year, the Associate Secretary to Cabinet also met with a number of Federal Regional Councils and the executive committees of over 30 departments and agencies, as well as functional community groups, such as the National Managers Community and the heads of human resources and heads of federal agencies.

> *That ability—to think for yourselves, and to think critically—is the single most important asset this university could have given you, and the one most critical to our times. It's certainly a skill that is recognized and sought after in the Public Service, where I work. In the Public Service, we're in the midst of a sweeping renewal, driven by the demographics of the aging baby boomer generation, which I clearly represent. What we need are young people who are thinking about the world, who have developed the capacity to analyze critically, to communicate clearly and to learn continually; and who want to make a difference to their country.*
>
> **The Clerk's convocation address at Mount Allison University. May 26, 2008**

The Clerk met with Canadian university presidents to enhance and broaden the Deputy Minister University Champion program. Partnerships with Canadian universities support public service recruitment and employee development while contributing to a deeper understanding within the Public Service of issues related to education and research.

PCO provided support to the Prime Minister's Advisory Committee on the Public Service. This committee, created in 2006 by the Prime Minister, brings together senior leaders with a wide range of experience both inside and outside of government to advise on the renewal and future development of the Public Service. The Advisory Committee met three times during the year and presented its second annual report to the Prime Minister, which was published as an annex to the Clerk's Fifteenth Report to the Prime Minister. The Advisory Committee's Second Annual Report concentrated on the important topics of human resources governance and performance management. Its work brought new insights and perspectives to the renewal effort from outside the public service by a group of very distinguished Canadians.

**Performance Management Program**

The Clerk is responsible for the strategic management of senior public service personnel, notably with respect to succession planning and performance management, through the Committee of Senior Officials (COSO). Under his leadership, this committee continued to enhance the Performance Management Program (PMP) for deputy ministers and associate deputy ministers, strengthening the evaluation process and achieving a distribution of performance ratings in line with the best practices recommended by the Advisory Committee on Senior Level Retention and Compensation.

As part of the PMP, the Clerk continued to stress the importance of achieving horizontal commitments for all deputy ministers in the areas of public service renewal, portfolio coordination and excellence in management. To this end, the Clerk introduced a new commitment related to the implementation of policy and program results. In addition, COSO reviewed the PMP for executives to ensure it continued to foster a high-performing cadre of senior executives and requested several refinements to be implemented for the 2009-2010 performance cycle. COSO also reviewed the results of the Assistant Deputy Minister Talent Management Initiative, and monitored the successful implementation of the program for the first cohort of 27 participants in the Advanced Leadership Program, two key initiatives to support the current and future leadership needs of the Public Service.

> *We were pleased to see the Clerk of the Privy Council has instituted a more structured and rigorous performance assessment regime for Deputy Ministers and Associates, and that appears to be more in line with private sector practices.*
> Second Annual Report of the Prime Minister's Advisory Committee in the Public Service.

**Program Activity 5:** Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support

**Financial Resources (thousands of dollars)**

| 2007–2008 | | |
|---|---|---|
| Planned Spending | Authorities | Actual Spending |
| 27,521 | 29,094 | 28,401 |

**Human Resources (full-time equivalents)**

| 2007–2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 218 | 216 | 2 |

**Description**

PCO staff provide financial and administrative support to the Prime Minister's Office and to the offices of portfolio ministers.

| **5. Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support** | | |
|---|---|---|
| Expected Result | Priorities Supported | Performance Indicators |
| The Prime Minister's Office and the offices of the portfolio ministers receive appropriate financial and administrative support | Strengthen PCO's internal management practices | Narrative report in the DPR on the activities |

**Key Achievements**

**Correspondence management**

PCO provided correspondence management services to the Office of the Prime Minister. These services included responding to email messages, written correspondence, and telephone calls from the general public, and issuing greetings and messages signed by the Prime Minister in recognition of special events and milestone anniversaries and birthdays. PCO also provided correspondence support to the offices of the President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification, and the Leader of the Government in the House of Commons. The chart below illustrates the year-over-year trends in correspondence-related activities. The volume of correspondence is issue-driven and fluctuations from year-to-year are not uncommon. In 2007-2008, volumes of correspondence decreased in all categories; as a result, PCO significantly reduced its use of overtime and constantly met or exceeded the established service standards.

## Summary of Correspondence Activities

| Fiscal Years | 2005-2006 | 2006-2007 | 2007-2008 |
|---|---|---|---|
| **Correspondence Received**[7] | | | |
| Prime Minister | | | |
| Paper mail | 1,064,838 | 611,842 | 559,305 |
| Email | 1,028,840 | 1,064,455 | 541,830 |
| Telephone calls | 22,440 | 25,549 | 19,841 |
| Sub-total | 2,116,118 | 1,701,846 | 1,121,171 |
| President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs[8] | 3,456 | 3,020 | 1,605 |
| Leader of the Government in the House of Commons[8,10] | 101 | 1,483 | 1,988 |
| Deputy Leader of the Government in the House of Commons[8,9] | 1,096 | | |
| Minister of Democratic Reform[8,9,10] | 151 | | |
| Deputy Prime Minister[8,11] | 28,951 | | |
| Grand Total | 2,149,773 | 1,706,349 | 1,124,764 |
| **Correspondence Sent**[7] | | | |
| Prime Minister | | | |
| Paper replies | 33,558 | 31,597 | 20,746 |
| Email replies | 45,059 | 80,482 | 39,278 |
| Sub-total | 78,617 | 112,079 | 60,024 |
| President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs[8] | 412 | 453 | 560 |
| Leader of the Government in the House of Commons[8,10] | 62 | 339 | 920 |
| Deputy Leader of the Government in the House of Commons[8,9] | 136 | | |
| Minister of Democratic Renewal[8,9,10,12] | 0 | | |
| Deputy Prime Minister[11] | 2,940 | | |
| Grand Total | 81,867 | 112,871 | 61,504 |

7. There is a variance between the correspondence received and the correspondence sent because of the nature of the correspondence (for example, petitions, thank you letters and other messages that do not require a response).
8. Includes paper mail and email.
9. Correspondence support to the Deputy Leader of the Government in the House of Commons and the Minister responsible for Democratic Renewal was discontinued in 2006 because the Prime Minister's Ministry did not have a Deputy Leader position.
10. For 2006-2007 and 2007-2008, volumes of correspondence for the Minister of Democratic Reform are included with the ones for the Leader of the Government in the House of Commons.
11. Correspondence support to the Deputy Prime Minister was discontinued in 2006 because the position of Deputy Prime Minister was discontinued.
12. Data on replies for the Minister of Democratic Reform are not available for 2005-2006.

PCO also provided a number of reference, research and information acquisition services to the Prime Minister's Office in 2007-2008, including subscriptions to paper and electronic journals and newspapers.

**Prime Minister's tours**

PCO provided informatics and technical support to the Prime Minister while travelling, specifically broadcast sound, lighting, staging, teleprompter and recording services to support the delivery of all speeches by the Prime Minister both in Canada and abroad. PCO also provided full office and logistical support when the Prime Minister was on travel status; this includes secure voice and data communications and portable radio communications.

**Statistics for PM Tour Support for 2007-2008**

| Location | Advance Planning Trip | Trip/Event |
|---|---|---|
| International | 15 | 17 |
| Domestic (Canada) | 54 | 67 |
| Local (National Capital Region) | 20 | 46 |

## Program Activity 6: Provide commissions of inquiry with appropriate administrative support

**Financial Resources (thousands of dollars)**

| 2007–2008 | | |
|---|---|---|
| Planned Spending | Authorities | Actual Spending |
| 5,708 | 20,007 | 17,401 |

**Human Resources (full-time equivalents)**

| 2007–2008 | | |
|---|---|---|
| Planned | Actual | Difference |
| 7 | 25 | (18) |

**Description**

Although the actual spending reflects the total cost of the commissions of inquiry, this document reports strictly on PCO's role, which is to support commissions of inquiry, task forces and others. Because these entities are independent, this report does not provide information relating to their mandate, work priorities or performance. This type of information is found on the individual commission websites, as indicated below.

Commissions of inquiry, task forces and others receive administrative support from PCO. When such an entity is created, PCO is responsible for initiating arrangements for accommodation, furnishings and equipment to ensure the work of the commission, task force or inquiry proceeds efficiently.

PCO also ensures that administrative advice and support are provided to each commission, task force or inquiry on an ongoing basis for hiring staff, acquisition services, contracting, financial services, access to funding, records management, payroll support, translation, security and systems support. PCO coordinates contribution programs for the payment of legal costs incurred by eligible participants appearing before commissions of inquiry.

**Key Activities**

PCO has effectively supported the administrative aspects of the following three commissions of inquiry and one independent advisor.

*Commission of Inquiry into the Investigation of the Bombing of Air India Flight 182*

This commission is looking into certain aspects of the 1985 Air India bombing. Although the terms of reference do not direct the Commissioner to report to the Governor in Council by a specific date, it is likely that the commission will report by the end of 2008. For additional information, please refer to the commission's website: www.majorcomm.ca

*Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar*

This commission investigated and reported on the actions of Canadian officials concerning Maher Arar, and made recommendations on an independent, arm's-length review mechanism for the activities of the Royal Canadian Mounted Police with respect to national security. The commission submitted two reports to the Governor in Council. The first was released by the Government on September 18, 2006, and the second on December 12, 2006. The commission's operations were greatly scaled back following the submission of the second report. The commission continued to exist pending the Federal Court's decision related to the application brought by the Attorney General of Canada challenging the Commissioner's decision to disclose information to the public in respect of which the Government asserted a claim of national security confidentiality. The Federal Court authorized a partial release of information and an addendum to the commission report was released on August 9, 2007. The commission wrapped up its operations in September 2007. For additional information, please refer to the commission's website, which has now been archived at Library and Archives Canada: http://epe.lac-bac.gc.ca/100/206/301/pco-bcp/commissions/maher_arar/07-09-13/www.ararcommission.ca/default.htm

*Internal Inquiry into the Actions of Canadian Officials in Relation to Abdullah Almalki, Ahmad Abou-Elmaati and Muayyed Nureddin*

This commission was created on December 11, 2006, in order to determine whether the detention of Abdullah Almalki, Ahmad Abou-Elmaati and Muayyed Nureddin in Syria or Egypt resulted, directly or indirectly, from the actions of Canadian officials. The Commissioner's mandate included an original deadline to submit a public and confidential report by January 31, 2008, which was extended to October 20, 2008. For additional information, please refer to the commission's website: www.iacobucciinquiry.ca

*Independent Advisor into the Allegations Respecting Financial Dealings Between Mr. Karlheinz Schreiber and the Right Honourable Brian Mulroney*

On November 14, 2007, Mr. David Johnston was appointed by the Governor in Council as Independent Advisor to review allegations respecting financial dealings between Mr. Karlheinz Schreiber and the Right Honourable Brian Mulroney and make recommendations as to the appropriate mandate for a public inquiry into those allegations, including the specific issues that warrant examination under the *Inquiries Act*.

Professor Johnston submitted a first report to the Prime Minister on January 9, 2008, and a second one on April 4, 2008, which are both available on the Privy Council Office's website.

# Section III: Supplementary Information

## Table 1: Departmental Link to Government of Canada Outcome Areas

| Strategic Outcome: | Toward effective government policies and operations, the Privy Council Office ensures that decision making by the Prime Minister and Cabinet is well supported and the institutions of executive government are well supported and maintained. | | | |
|---|---|---|---|---|
| | **Actual Spending 2007-2008** | | | Alignment to Government of Canada Outcome Number Four |
| | Budgetary | Non-budgetary | Total | |
| 1. Support for Cabinet decision making and the legislative agenda | 5,121 | - | 5,121 | Government Affairs |
| 2. Advice to the Prime Minister and ministers on issues, policies, machinery and appointments | 53,892 | - | 53,892 | |
| 3. Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda | 23,239 | - | 23,239 | |
| 4. As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians | 9,638 | - | 9,638 | |
| 5. Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support | 28,401 | - | 28,401 | |
| 6. Provide commissions of inquiry with appropriate administrative support | 17,401 | - | 17,401 | |
| **Total** | **137,692** | - | **137,692** | |

All PCO's program activities support the Government of Canada outcome number four: "Government Affairs." PCO plays an important, supportive role to ensure a whole-of-government approach and integrated response to issues that affect Canadians. It works across portfolio boundaries and helps other government departments and agencies meet their responsibilities, deliver on their core mandates and, ultimately, serve Canadians better.

## Table 2: Comparison of Planned to Actual Spending (including FTEs)

| | 2005-2006 Actual | 2006-2007 Actual | 2007-2008 | | | |
|---|---|---|---|---|---|---|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual Spending |
| | (thousands of dollars) | | | | | |
| Support for Cabinet decision making and the legislative agenda | 6,057 | 5,396 | 5,435 | 5,458 | 5,559 | 5,121 |
| Advice to the Prime Minister and ministers on issues, policies, machinery and appointments | 65,534 | 54,894 | 59,216 | 59,516 | 62,679 | 53,892 |
| Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda | 30,845 | 25,589 | 22,557 | 22,666 | 24,367 | 23,239 |
| As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians | 8,719 | 8,839 | 7,183 | 7,197 | 7,757 | 9,638 |
| Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support | 34,361 | 27,574 | 27,204 | 27,521 | 29,094 | 28,401 |
| Provide commissions of inquiry with appropriate administrative support | 16,802 | 13,269 | 5,708 | 5,708 | 20,007 | 17,401 |
| Total | **162,318** | **135,561** | **127,303** | **128,067** | **149,463** | **137,692** |
| Less: Non-respendable revenue | 1,256 | 1,581 | | 850 | 850 | 1,837 |
| Plus: Cost of services received without charge | 22,427 | 18,097 | | 16,928 | 16,928 | 17,489 |
| Total Departmental Spending | **183,489** | **152,077** | **127,303** | **144,145** | **165,541** | **153,344** |
| Full-time Equivalents | **1,032** | **904** | **937** | **937** | **937** | **912** |

## Variation between Total Main Estimates and Total Planned Spending

The increase of $0.8 million is due to:

- compensation for collective agreements ($0.6 million)
- funding received for the new internal audit requirements ($0.2 million)

## Variation between Total Planned Spending and Total Authorities

The $21.4 million increase is due to:

- funding of $14.6 million for the commissions of inquiry into:
  - the Actions of Canadian Officials in relation to Abdullah Almalki, Ahmad Abou-Elmaati and Muayyed Nureddin ($7.7 million)
  - the Investigation of the Bombing of Air India Flight 182 ($6.5 million)
  - the Actions of Canadian Officials in Relation to Maher Arar ($0.4 million)
- funding for the departmental 2006-2007 Operating Budget Carry Forward of $5.8 million
- funding of $0.9 million for the office of the Coordinator for the 2010 Olympics and G8 Security
- compensation for collective bargaining of $0.9 million
- funding of $0.8 million for the office of the Independent Advisor for the Review of Allegations Respecting the Financial Dealings Between Mr. Karlheinz Schreiber and the Right Honourable Brian Mulroney, in order to make recommendations for an appropriate mandate for a public inquiry
- funding of $0.1 million for activities to implement the *Public Service Modernization Act*
- proceeds of $0.1 million from the disposal of surplus Crown assets
- offset by $1.8 million for an adjustment to the Employee Benefit Plan rate

## Variation between Total Authorities and Total Actual Spending

The $11.8 million surplus is explained as follows:

PCO (excluding commissions of inquiry): $9.2 million surplus

- The surplus is due in part to a high staff turnover and staffing of vacant positions taking longer than expected in some cases due to a shortage of skilled personnel. It is also explained by anticipated activities not materializing in some areas, contracting issues that arose late in the year and delays in accommodation projects with PWGSC.

Commissions of inquiry: $2.6 million surplus

- The surplus is mainly due to the Internal Inquiry. The inquiry's final report deadline has been moved from January 1, 2008 to October 20, 2008; therefore, costs related to the production of the final report, as well as costs related to the closing of the inquiry, did not occur in 2007-2008 as these will now take place in fiscal year 2008-2009.

## Variation between Actual Spending 2006-2007 and Actual Spending 2007-2008

The increase of $2.1 million is mainly due to:

- An increase in the activity level related to the commissions of inquiry by $4.1 million. Although the number of ongoing inquiries was the same for both years, there were two commissions fully operational for the entire year in 2007-2008 compared to one for 2006-2007.
- An increase in spending of $2.8 million due to new initiatives undertaken in 2007-2008. Some of these initiatives are:
  - Public Service Renewal
  - 2010 Olympics and G8 Security
  - Independent advisor for the Review of Allegations Respecting the Financial Dealings between Mr. Karlheinz Schreiber and the Right Honourable Brian Mulroney
  - Audit and Evaluation
  - Emergency Planning
  - Afghanistan Task Force

Offset by:

- A reduction in spending of $2.6 million as a result of PCO returning to core functions and the ending of several initiatives in 2006-2007 such as:
  - Policy Research
  - Regulatory Affairs
  - Regional Offices (Communications)
- Reduced accommodation charges of $1.2 million due to contracts not materializing with PWGSC and to lower renovations and refitting requirements in 2007-2008.
- A reduction $1.0 million in salary-related costs such as severance and separation pay.

**Table 3: Voted and Statutory Items (thousands of dollars)**

| Vote or Statutory Item | Truncated Vote or Statutory Wording | 2007-2008 | | | |
|---|---|---|---|---|---|
| | | Main Estimates | Planned Spending | Total Authorities | Actual |
| 1 | Program expenditures | 114,162 | 114,820 | 137,270 | 125,531 |
| (S) | The Prime Minister's salary and motor car allowance | 153 | 153 | 153 | 153 |
| (S) | President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification – Salary and motor car allowance | 75 | 75 | 74 | 74 |
| (S) | Leader of the Government in the Senate – Salary and motor car allowance | 75 | 75 | 74 | 74 |
| (S) | Ministers without Portfolio or Ministers of State – Motor car allowance | - | - | 4 | 4 |
| (S) | Contributions to employee benefit plans | 12,839 | 12,944 | 11,837 | 11,837 |
| (S) | Spending of proceeds from the disposal of surplus Crown assets | - | - | 51 | 19 |
| Total | | **127,303** | **128,067** | **149,463** | **137,692** |

## Table 4: Sources of Non-Respendable Revenue

For supplementary information on the department's sources of respendable and non-respendable revenue please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

## Table 5: User Fees

For supplementary information on the department's User Fees, please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

## Table 6: Response to Parliamentary Committees and External Audits

For supplementary information on the department's response to Parliamentary Committees and External Audits please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

## Table 7: Internal Audits and Evaluations

For supplementary information on the department's Internal Audits and Evaluations, please visit: http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

## Table 8: Travel Policies

The Privy Council Office follows the Treasury Board of Canada Secretariat Special Travel Authorities.

The Privy Council Office follows the Treasury Board of Canada Secretariat Travel Directive, Rates and Allowances.

## Table 9: Financial Statements of PCO

See next page.

# PRIVY COUNCIL OFFICE
## FINANCIAL STATEMENTS
## FOR THE YEAR ENDED MARCH 31, 2008

**Statement of Management Responsibility**

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008, and all information contained in these statements rests with departmental management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Privy Council Office's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Privy Council Office's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable; that assets are safeguarded; and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the Privy Council Office.

The financial statements of the Privy Council Office have not been audited.

Kevin G. Lynch
Clerk of the Privy Council and
Secretary to the Cabinet

Marilyn MacPherson
Assistant Deputy Minister
Corporate Services

Ottawa, Ontario

August 08, 2008

## Privy Council Office
## Statement of Operations (Unaudited)

for the year ended March 31, 2008

| **Expenses** (Note 4) | **2008** | **2007** |
|---|---|---|
| | (in thousands of dollars) | |
| Support for Cabinet decision making and the legislative agenda | 6,071 | 6,989 |
| Advice to the Prime Minister and ministers on issues, policies, machinery and appointments | 59,032 | 64,806 |
| Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda | 25,349 | 30,788 |
| As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians | 10,830 | 7,305 |
| Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support | 33,062 | 33,284 |
| Provide commissions of inquiry with appropriate administrative support | 16,472 | 13,538 |
| **Total Expenses** | **150,816** | **156,710** |
| **Revenues** (Note 5) | | |
| Support for Cabinet decision making and the legislative agenda | 2 | 1 |
| Advice to the Prime Minister and ministers on issues, policies, machinery and appointments | 24 | 10 |
| Provide Cabinet with sound advice on the development, coordination and implementation of the policy agenda | 9 | 4 |
| As its head, the Clerk leads the Public Service in effectively supporting Cabinet and serving Canadians | 5 | 10 |
| Provide the Prime Minister's Office and the offices of the portfolio ministers with financial and administrative support | 14 | 7 |
| Provide commissions of inquiry with appropriate administrative support | 2 | - |
| **Total Revenues** | **56** | **32** |
| **Net Cost of Operations** | **150,760** | **156,678** |

The accompanying notes form an integral part of these financial statements.

## Privy Council Office
## Statement of Financial Position (Unaudited)

at March 31, 2008

| Assets | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| **Financial assets** | | |
| Accounts receivable and advances (Note 6) | 2,437 | 6,481 |
| **Total financial assets** | **2,437** | **6,481** |
| **Non-financial assets** | | |
| Prepaid expenses | 349 | 696 |
| Tangible capital assets (Note 7) | 9,093 | 9,376 |
| **Total non-financial assets** | **9,442** | **10,072** |
| **Total** | **11,879** | **16,553** |
| **Liabilities and Equity of Canada** | | |
| **Liabilities** | | |
| Accounts payable and other liabilities (Note 8) | 17,220 | 20,120 |
| Vacation pay and compensatory leave | 5,244 | 7,864 |
| Employee severance benefits (Note 9) | 14,300 | 14,679 |
| **Total liabilities** | **36,764** | **42,663** |
| **Equity of Canada** | **(24,885)** | **(26,110)** |
| **Total** | **11,879** | **16,553** |

Contingent liabilities (Note 10)
Contractual obligations (Note 11)
The accompanying notes form an integral part of these financial statements.

## Privy Council Office
## Statement of Equity (Unaudited)

at March 31, 2008

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| **Equity of Canada, beginning of year** | **(26,110)** | **(25,910)** |
| Net cost of operations | (150,760) | (156,678) |
| Refund and adjustment of previous year expenditures | (1,781) | (1,548) |
| Revenue not available for spending | (56) | (32) |
| Services provided without charge by other government departments (Note 12) | 17,489 | 18,097 |
| | (135,108) | (140,161) |
| Current year appropriations used (Note 3) | 137,692 | 135,561 |
| Change in net position in the Consolidated Revenue Fund (Note 3c) | (1,359) | 4,400 |
| **Equity of Canada, end of year** | **(24,885)** | **(26,110)** |

The accompanying notes form an integral part of these financial statements.

## Privy Council Office
## Statement of Cash Flow (Unaudited)

for the year ended March 31, 2008

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| **Operating Activities** | | |
| Net cost of operations | 150,760 | 156,678 |
| **Non-cash items** | | |
| Amortization of tangible capital assets (Note 7) | (2,696) | (3,401) |
| Loss on disposal of tangible capital assets | (69) | - |
| Other | 209 | - |
| Services provided without charge by other government departments (Note 12) | (17,489) | (18,097) |
| | (20,045) | (21,498) |
| **Variations in Statement of Financial Position** | | |
| Increase (decrease) in accounts receivable and advances | (4,044) | 4,564 |
| Increase (decrease) in prepaid expenses | (347) | 487 |
| (Increase) decrease in liabilities: | | |
| Accounts payable and other liabilities | 2,900 | (580) |
| Vacation pay and compensatory leave | 2,620 | (2,536) |
| Employee severance benefits | 379 | (1,784) |
| | 1,508 | 151 |
| **Cash used by operating activities** | **132,223** | **135,331** |
| **Capital Investment Activities** | | |
| Acquisition of tangible capital assets (Note 7) | 1,919 | 3,337 |
| Net cost of tangible capital asset transfers | - | (120) |
| Work in progress | 354 | (167) |
| **Cash used by capital investment activities** | **2,273** | **3,050** |
| **Net cash provided by Government of Canada** | **134,496** | **138,381** |

The accompanying notes form an integral part of these financial statements.

## Privy Council Office
## Notes to Financial Statements (Unaudited)

for the year ended March 31, 2008

### 1. *Authority and Purpose*

The Privy Council Office is a division of the Public Service of Canada as set out in column 1 of Schedule I.1 of the *Financial Administration Act* and reports to Parliament through the Prime Minister.

The Privy Council Office reports directly to the Prime Minister and is headed by the Clerk of the Privy Council and Secretary to the Cabinet. The Clerk is also the Head of the Public Service. The mandate of the Privy Council Office is to serve Canada and Canadians by providing the best non-partisan advice and support to the Prime Minister, ministers within the Prime Minister's portfolio and Cabinet. PCO's work requires close and continuous contact with other federal departments and agencies to support their ability to work effectively and to ensure overall consultation and coordination.

Commissions of inquiry established under the *Inquiries Act* are designated as departments under the *Financial Administration Act* and the Prime Minister is designated as the "appropriate Minister" under that same Act. PCO provides administrative and financial management support to commissions. In 2007-08, the same commissions as in 2006-07 were supported by PCO: the Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar, the Commission of Inquiry into the Investigation of the Bombing of Air India Flight 182, and the Commission of Inquiry into the Actions of Canadian Officials in Relation to Abdullah Almalki, Ahmad Abou-Elmaati and Muayyed Nureddin.

### 2. *Significant Accounting Policies*

The financial statements have been prepared in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector. Significant accounting policies are as follows:

a) **Parliamentary appropriations**: The Privy Council Office is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the department do not parallel financial reporting according to Canadian generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

b) **Net cash provided by government**: The Privy Council Office operates within the Consolidated Revenue Fund (CRF). The CRF is administered by the Receiver General for Canada. All cash received by the Privy Council Office is deposited to the CRF and all cash disbursements made by the Privy Council Office are paid from the CRF. The net cash provided by government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

c) **Change in net position in the Consolidated Revenue Fund** is the difference between the net cash provided by government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by the Privy Council Office. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

d) **Revenues**:

- Revenues from regulatory fees are recognized in the accounts based on the services provided in the year.
- Other revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

e) **Expenses** are recorded on the accrual basis:

- Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.
- Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans, legal services and worker's compensation coverage are recorded as operating expenses at their estimated cost.

f) **Employee future benefits:**

- Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Privy Council Office's contributions to the plan are charged to expenses in the year incurred and represent the total departmental obligation to the plan. Current legislation does not require the Privy Council Office to make contributions for any actuarial deficiencies of the plan.

- Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the government as a whole.

**Accounts receivable and advances** are stated at amounts expected to be ultimately realized. A provision is made for receivables where recovery is considered uncertain.

**Contingent liabilities** are potential liabilities that may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

**Tangible capital assets** having an initial cost of $5,000 or more are recorded at their acquisition cost. The Privy Council Office does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value. Work in progress is only amortized when the related projects are completed and their amortization is based on the estimated useful life of the asset. Amortization of capital assets is done on a straight-line basis over the estimated useful life of the capital asset as follows:

| Asset Class | Amortization Period |
|---|---|
| Machinery and equipment | 5 to 15 years |
| Informatics hardware | 3 to 5 years |
| Informatics software | 3 to 5 years |
| Other equipment | 10 to 15 years |
| Motor vehicles | 3 to 10 years |

g) **Measurement uncertainty**: The preparation of these financial statements in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes these estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

## 3. *Parliamentary Appropriations*

The Privy Council Office receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Privy Council Office has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

**a) Reconciliation of net cost of operations to current year appropriations used:**

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| **Net cost of operations** | 150,760 | 156,678 |
| Adjustments for items affecting net cost of operations but not affecting appropriations: | | |
| Add (less): | | |
| Amortization of tangible capital assets | (2,696) | (3,401) |
| Loss on disposal of tangible capital assets | (69) | - |
| Services provided without charge by other government departments (Note 12) | (17,489) | (18,097) |
| Prepaid expenses | 347 | 696 |
| Vacation pay and compensatory leave | 2,620 | (2,536) |
| Employee severance benefits | 379 | (1,784) |
| Accounts payable and other liabilities | - | 15 |
| Refund and adjustment of previous year expenditures | 1,781 | 1,548 |
| Revenue not available for spending | 56 | 32 |
| Other | 84 | (927) |
| | (14,987) | (24,454) |
| Adjustments for items not affecting net cost of operations but affecting appropriations: | | |
| Add: | | |
| Acquisition of tangible capital assets | 1,919 | 3,337 |
| **Current year appropriations used** | **137,692** | **135,561** |

## Privy Council Office
## Notes to Financial Statements (Unaudited)

for the year ended March 31, 2008

**b) Appropriations provided and used:**

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Vote - Operating expenditures | 137,271 | 135,698 |
| Statutory amounts | 12,193 | 12,661 |
| Less: | | |
| Appropriations available for future years | (32) | (18) |
| Lapsed appropriations: Operating | (11,740) | (12,780) |
| **Current year appropriations used** | **137,692** | **135,561** |

**c) Reconciliation of net cash provided by government to current year appropriations used:**

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Net cash provided by government | 134,496 | 138,381 |
| Refund and adjustment of previous year expenditures | 1,781 | 1,548 |
| Revenue not available for spending | 56 | 32 |
| | 136,333 | 139,961 |
| Change in net position in the Consolidated Revenue Fund | | |
| Variation in accounts receivable and advances | 4,059 | (4,561) |
| Variation in prepaid expenses | - | 209 |
| Variation in accounts payable and other liabilities | (2,701) | 596 |
| Other | 1 | (644) |
| | 1,359 | (4,400) |
| **Current year appropriations used** | **137,692** | **135,561** |

for the year ended March 31, 2008

## 4. *Expenses*

The following table presents details of expenses by category:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Salaries and employee benefits | 92,011 | 96,900 |
| Professional and special services | 23,489 | 20,926 |
| Accommodation | 12,647 | 13,244 |
| Transportation and telecommunications | 6,224 | 6,578 |
| Acquisition of machinery and equipment | 5,479 | 5,879 |
| Information | 2,784 | 3,886 |
| Amortization of tangible capital assets (Note 7) | 2,696 | 3,401 |
| Utilities, materials and equipment | 1,588 | 1,617 |
| Transfer payments | 1,389 | 408 |
| Rental | 1,137 | 703 |
| Other | 681 | 485 |
| Purchased repair and maintenance | 622 | 2,683 |
| Loss on disposal of tangible capital assets | 69 | - |
| **Total** | **150,816** | **156,710** |

## 5. *Revenues*

The following table presents details of revenues by category:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Gain on disposal of tangible assets | 32 | 17 |
| Regulatory fees | 5 | 10 |
| Miscellaneous revenues | 4 | 4 |
| Gain on foreign exchange | 15 | 1 |
| **Total** | **56** | **32** |

## 6. *Accounts Receivable and Advances*

The following table presents details of accounts receivable and advances:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Receivables from other federal government departments and agencies | 1,917 | 6,057 |
| Receivables from external parties | 544 | 465 |
| Employee advances | 25 | 23 |
| **Subtotal** | **2,486** | **6,545** |
| Less: Allowance for doubtful accounts on external receivables | 49 | 64 |
| **Total** | **2,437** | **6,481** |

## Privy Council Office
## Notes to Financial Statements (Unaudited)

for the year ended March 31, 2008

### 7. *Tangible Capital Assets*

| (in thousands of dollars) | Cost | | | | Accumulated Amortization | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Capital Asset Class | Opening Balance | Acquisi-tions[1] | Disposal and write-offs[2] | Closing Balance | Opening Balance | Amortiza-tion[3] | Disposal and write-offs[2] | Closing Balance | Net Book Value 2008[4] | Net Book Value 2007 |
| Machinery and equipment | 40 | - | - | 40 | 28 | 1 | - | 29 | 11 | 12 |
| Informatics hardware | 11,242 | 1,230 | (1,066) | 11,406 | 7,998 | 1,403 | (1,058) | 8,343 | 3,063 | 3,244 |
| Informatics software | 4,340 | 324 | (99) | 4,565 | 3,333 | 512 | - | 3,845 | 720 | 1,007 |
| Other equipment | 7,344 | 1,209 | (982) | 7,571 | 2,568 | 724 | (131) | 3,161 | 4,410 | 4,776 |
| Motor vehicles | 415 | 181 | (79) | 517 | 272 | 56 | (71) | 257 | 260 | 143 |
| Work-in-progress - software | 14 | 319 | - | 333 | - | - | - | - | 333 | 14 |
| Work-in-progress - other | 180 | 116 | - | 296 | - | - | - | - | 296 | 180 |
| | **23,575** | **3,379** | **(2,226)** | **24,728** | **14,199** | **2,696** | **(1,260)** | **15,635** | **9,093** | **9,376** |

1. Total acquisitions of $3,379,000 comprise regular acquisitions of capital assets ($1,919,000), creation of new work in progress ($354,000) and adjustments ($1,106,000).
2. Net disposals and write-offs of -$966,000 comprise regular dispositions of capital assets (-$468,000), accumulated depreciation ($399,000) and adjustments (-$897,000).
3. Amortization expense for the year ended March 31, 2008, is $2,696,000 (2007 - $3,401,000).
4. Due to the implementation of a new financial system in 2006-07, some transactions were not processed correctly and as a result an immaterial adjustment of $209,000 was process in 2007-08.

## 8. *Accounts Payable and Other Liabilities*

The following table presents details of accounts payable and other liabilities:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Payables to external parties | 12,845 | 12,890 |
| Payables to other federal government departments and agencies | 3,258 | 5,960 |
| Other liabilities | 966 | 920 |
| Contingent liabilities (Note 10) | 151 | 350 |
| **Total** | **17,220** | **20,120** |

## 9. *Employee Benefits*

**(a) Pension benefits**: The Privy Council Office's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Quebec Pension Plans benefits and are indexed to inflation.

Both the employees and the department contribute to the cost of the Public Service Pension Plan. The 2007-08 expense amounts to $10,723,836 ($9,079,000 in 2006-07), which represents approximately 2.1 times (2.2 in 2006-07) the contributions by employee.

The Privy Council Office's responsibility with regard to the plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the plan's sponsor.

**(b) Severance benefits**: The Privy Council Office provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Accrued benefits obligation, beginning of year | 14,679 | 12,895 |
| Expense for the year | 345 | 2,923 |
| Benefits paid during the year | (724) | (1,139) |
| **Accrued benefits obligation, end of year** | **14,300** | **14,679** |

## 10. *Contingent Liabilities*

### Claims and litigations

Claims have been made against the Privy Council Office in the normal course of operations. Legal proceedings for claims totaling approximately $151,028 were still pending at March 31, 2008 ($350,000 in 2006-2007). Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the financial statements.

## 11. *Contractual Obligations*

The nature of the Privy Council Office's activities can result in large multi-year contracts and obligations whereby the Privy Council Office will be obligated to make future payments when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

| | 2009 | 2010 | 2011 | 2012 | 2013 and thereafter | Total |
|---|---|---|---|---|---|---|
| | (in thousands of dollars) | | | | | |
| **Privy Council Office** | | | | | | |
| Transport and telecommunications | 272 | 4 | - | - | - | **276** |
| Information | 827 | - | - | - | - | **827** |
| Professional and special services | 3,246 | 68 | - | - | - | **3,314** |
| Rental | 818 | 546 | 413 | 314 | 183 | **2,274** |
| Purchased repair and maintenance | 111 | 59 | 58 | - | - | **228** |
| Utilities, materials and equipment | 45 | - | - | - | - | **45** |
| Acquisition of machinery and equipment | 81 | - | - | - | - | **81** |
| | 5,400 | 677 | 471 | 314 | 183 | **7,045** |
| **Commissions of Inquiry** | | | | | | |
| Transport and telecommunications | 16 | - | - | - | - | **16** |
| Information | 316 | - | - | - | - | **316** |
| Professional and special services | 2,370 | - | - | - | - | **2,370** |
| Rental | 272 | 22 | - | - | - | **294** |
| Utilities, materials and equipment | 2 | - | - | - | - | **2** |
| Transfer payments | 64 | - | - | - | - | **64** |
| | 3,040 | 22 | | | | **3,062** |
| **Total** | **8,440** | **699** | **471** | **314** | **183** | **10,107** |

**12. *Related Party Transactions***

The Privy Council Office is related as a result of common ownership to all Government of Canada departments, agencies and Crown corporations. The Privy Council Office enters into transactions with these entities in the normal course of business and on normal trade terms.

**Services provided without charge**: During the year, the Privy Council Office received, without charge from other government departments, accommodation, legal fees, the employer's contribution to the health and dental insurance plans and worker's compensation coverage. These services without charge have been recognized in the Privy Council Office's Statement of Operations as follows:

| | 2008 | 2007 |
|---|---|---|
| | (in thousands of dollars) | |
| Accommodation | 10,849 | 10,847 |
| Employer's contribution to the health and dental insurance plans | 6,160 | 6,007 |
| Legal services | 469 | 1,232 |
| Worker's compensation coverage | 11 | 11 |
| **Total** | **17,489** | **18,097** |

The government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, and audit services provided by the Office of the Auditor General, are not included as an expense in the Privy Council Office's Statement of Operations.

# Section IV: Other Items of Interest

## Strengthen Internal Management Practices

One of PCO's four priorities for 2007-2008 was to strengthen internal management practices. As mentioned in Section I, Overall Departmental Performance, two specific commitments for improvement were identified. The status of performance for this priority needs to be rated as "ongoing" because of the long-term, evolving nature of both the Human Resources and Emergency Management plans.

**1. Implement a new human resources plan for PCO**

In March 2007, the Privy Council Office's first Strategic Human Resources Plan was launched. This was an important starting point in identifying priorities and concrete action to protect and nurture PCO's greatest asset—a committed and professional workforce.

PCO promoted linguistic duality and during 2007-2008 nominated an Official Languages Champion and elaborated a new accountability framework on official languages that clearly sets out official languages roles and responsibilities for various levels of management and employees at PCO. It also provides performance indicators to support and guide staff in meeting official languages requirements.

An Employment Equity Action Plan was developed for 2008-2011, which includes recommendations from the Employment Systems Review to overcome barriers to the employment of designated groups. PCO is revising its approach to self identification to ensure that representation of Employment Equity- (EE) designated groups at PCO are captured accurately and effectively. The Career on the Move Program, a PCO national career development program open to EE-designated group members, launched its third intake. An EE Champion supported activities of the Employment Equity and Diversity Advisory Committee, which met once a month. Executive Performance Agreements included EE and diversity as key commitments under the People Management Competency.

A succession planning exercise was undertaken for executive positions and some critical positions, and PCO participated in the Assistant Deputy Ministers Talent Management

initiative developed by the Canada Public Service Agency. An Exit Interview Program was implemented to collect valuable information from employees leaving the organization and to understand some of the organization's underlying workplace issues in order to help facilitate improvements. An administrative support community action plan, which included a number of strategies to address recruitment, training and development issues affecting this community, was developed and implemented.

To support the renewal initiative, PCO sponsored 14 Accelerated Economist Training Program (AETP) participants and five Management Trainee Program participants. PCO bridged three Federal Student Workplace Employment Program participants, and offered indeterminate positions to two AETP participants and one graduate from the Policy Leader Program. The corporate services community participated in various recruitment campaigns to address shortage areas. An inventory of the analyst and executive communities is part of a strategy to address shortage areas, as well as to provide a unique development opportunity.

To stabilize the administrative support community, several initiatives were implemented, including conducting frequent collective staffing processes at the AS-01 and AS-02 levels, and increasing the use of prequalified pools.

Investment in people and leadership through training and development were established through a number of activities for four communities. For example, a leadership seminar series on core leadership competencies was developed for the EX community. A number of activities were put forward for the administrative support community, such as a special orientation session and a web tool to help access information quickly. For the analyst community, an orientation session for new analysts was developed and support was provided for the Young Professionals Network to develop a number of activities. For the corporate services community, a full analysis of training and development needs was undertaken.

**2. Strengthen emergency management and business continuity planning**

In June of 2007, a dedicated project team was established to fast-track progress in strengthening emergency management and business continuity planning in PCO. This work was undertaken to ensure the ongoing safety and security of employees; the confidentiality, integrity and availability of sensitive information; the sustainable protection of valued assets; and ultimately to ensure that PCO can continue to perform its critical functions in support of the effective functioning of Cabinet and its committees. An in-depth analysis was launched to determine threats, risks and areas of priority. Concurrently, various initiatives were undertaken.

Departmental contingency plans were developed to address two scenarios: the first is a plan to respond to a localized or widespread electrical blackout; and the second plan is to respond to varying levels of severity in the case of an influenza pandemic. The influenza pandemic plan was further validated through the development and execution of an exercise to test the plan and additional exercises are under development.

A network of business continuity planners throughout the organization challenged and updated business continuity plans using a standardized approach and the feasibility of an automated tool is currently under review.

Workplace emergency evacuation plans for several buildings occupied by PCO staff were updated and refreshed and training was provided for fire wardens. Emergency telephone numbers were also established and communicated to all staff so that in cases of emergency, messages can be accessed for up-to-date information and direction.

PCO also worked in close collaboration with Public Safety Canada and other institutions to coordinate common or complementary strategies for government-wide emergency management and business continuity plans.

*Integrated Business and Human Resources Plan*

In March 2008, PCO's first Integrated Business and Human Resources Plan was approved. It integrated human resources planning with the business planning process, and tied it to the Report on Plans and Priorities.

This plan forms the framework to enable the recruitment and retention of people needed to meet PCO's business requirements and drives employee development and succession plans. In a knowledge organization such as PCO, this is crucial. It also captures the related infrastructure requirements, such as accommodations and technology, to support the organization. The Integrated Business and Human Resources plan will evolve and mature over time.

*State of management at PCO, based on the Management Accountability Framework*

This year's observations by the Treasury Board Portfolio (TBP) on the state of management at the Privy Council Office, based on the Management Accountability Framework (MAF), were generally positive. In total, for the 20 indicators against which the department was assessed, it received two "strong" ratings, 15 "acceptable" ratings, three "opportunity for improvement" ratings, and no "attention required" ratings. Compared to the 2006 MAF assessment, PCO had four higher ratings (noted below) and one rating that was lower (organizational change management – strong to acceptable). TBP noted that PCO undertook several management initiatives including developing an Integrated Business Plan, amending its Program Activity Architecture, developing a Performance Measurement Framework and Governance Structure, and completing a Strategic Human Resources Plan.

The Treasury Board Portfolio recognized PCO for its work to improve management in a number of areas since last year, including:

- Effectiveness of corporate risk management
- Effectiveness of information management
- Quality of reporting to Parliament
- Effectiveness of internal audit

At the same time, it recommended that PCO continue to improve management in the following areas:

- Effectiveness of the internal audit function
- Quality and use of evaluation
- Effective management of security and business continuity

Using the TBP assessment, as well as information from a variety of other sources (e.g. RPP, Corporate Risk Profile, environmental scans, etc.), management improvement priorities that have been identified by the Executive Committee for PCO for the next few years include: emergency preparedness and business continuity; risk-based Integrated Human Resources and Business Planning; audit and evaluation; and quality reporting to Parliament, including finalization of the Performance Measurement Framework.

## Legislation Administered

### Prime Minister

| | |
|---|---|
| Constitution Acts | |
| Governor General's Act | R.S. 1985, c.G-9, as amended |
| Inquiries Act | R.S. 1985, c.I-11, as amended |
| Ministries and Ministers of State Act | R.S. 1985, c.M-8 |
| Public Service Rearrangement and Transfer of Duties Act | R.S. 1985, c.P-34 |
| Royal Style and Titles Act | R.S. 1985, c.R-12 |
| Royal Style and Titles (Canada) Act | 1947, c.72 (see also R.S.C. 1970, c.12) |
| Salaries Act | R.S. 1985, c.S-3, as amended |

### President of the Queen's Privy Council for Canada

| | |
|---|---|
| Canadian Transportation Accident Investigation and Safety Board Act | 1989, c.3, as amended |
| Oaths of Allegiance Act | R.S. 1985, c.O-1 |
| Royal Assent Act | 2002, c.15 |

### Leader of the Government in the House of Commons

| | |
|---|---|
| Canada Elections Act | 2000, c.9, as amended |
| Electoral Boundaries Readjustment Act | R.S. 1985, c.E-3, as amended |
| Electoral Boundaries Readjustment Suspension Act | 1994, c.19 |
| Parliament of Canada Act | R.S., 1985, c.P-1, as amended |
| Referendum Act | 1992, c.30, as amended |
| An Act to amend the Canada Elections Act and the Income Tax Act | 2004, c.24, as amended |

### Leader of the Government in the Senate

| | |
|---|---|
| Federal Law-Civil Law Harmonization Act, No.2 | 2004, c.21 |
| Highway 30 Completion Bridges Act | 2005, c.37 |

## Further Information

| | |
|---|---|
| General Inquiries and Publications | 613-957-5153 |
| Telephone device for the hearing impaired | 613-957-5741 |
| PCO Public Inquiries (email) | info@pco-bcp.gc.ca |
| Prime Minister | www.pm.gc.ca |
| Leader of the Government in the House of Commons and Minister for Democratic Reform | www.lgc.gc.ca |
| President of the Queen's Privy Council and Minister of Intergovernmental Affairs and Minister for Western Economic Diversification | www.pco-bcp.gc.ca/aia/ |
| Leader of the Government in the Senate and Secretary of State (Seniors) | www.lgs.gc.ca |
| Privy Council Office | www.pco-bcp.gc.ca |
| Speech from the Throne | www.sft-ddt.gc.ca |
| Clerk's Annual Report to the Prime Minister | www.pco-bcp.gc.ca |
| PM's Advisory Committee-2nd Annual Report Democratic Reform | www.democraticreform.gc.ca |
| Orders-in-Council | www.pco-bcp.gc.ca/oic-ddc |
| Governor-in-Council Appointments | www.appointments-nominations.gc.ca |
| Commission of Inquiry into the Actions of Canadian Officials in Relation to Maher Arar | http://epe.lac-bac.gc.ca/100/206/301/pco-bcp/commissions/maher_arar/07-09-13/www.ararcommission.ca/default.htm |
| Commission of Inquiry into the Investigation of the Bombing of Air India Flight 182 | www.majorcomm.ca |
| Internal Inquiry into the Actions of Canadian Officials in Relation to Abdullah Almalki, Ahmad Abou-Elmaati and Muayyed Nureddin | www.iacobucciinquiry.ca |

**Information related to Access to Information Act, Privacy Act, Canada Evidence Act**

***Access to Information Act***

69. (1) This Act does not apply to confidences of the Queen's Privy Council for Canada, including, without restricting the generality of the foregoing:
(a) memoranda, the purpose of which is to present proposals or recommendations to Council;
(b) discussion papers, the purpose of which is to present background explanations, analyses of problems or policy options to Council for consideration by Council in making decisions;
(c) agenda of Council or records recording deliberations or decisions of Council;
(d) records used for or reflecting communications or discussions between ministers of the Crown on matters relating to the making of government decisions or the formulation of government policy;

(e) records the purpose of which is to brief ministers of the Crown in relation to matters that are before, or are proposed to be brought before, Council or that are the subject of communications or discussions referred to in paragraph (d);
(f) draft legislation; and
(g) records, that contain information about the contents of any record within a class of records referred to in paragraphs (a) to (f).

(2) For the purposes of subsection (1), Council means the Queen's Privy Council for Canada, committees of the Queen's Privy Council for Canada, Cabinet and committees of Cabinet.

(3) Subsection (1) does not apply to
(a) confidences of the Queen's Privy Council for Canada that have been in existence for more than twenty years; or
(b) discussion papers described in paragraph (1)(b)
(i) if the decisions to which the discussion papers relate have been made public, or
(ii) where the decisions have not been made public, if four years have passed since the decisions were made.
*Access to Information Act*, 1980-81-82-83, c. 111, Sch. I, s. 1; R.S.C. 1985, c. A-1, s. 69.

***Privacy Act***

70. (1) This Act does not apply to confidences of the Queen's Privy Council for Canada, including, without restricting the generality of the foregoing, any information contained in
(a) memoranda, the purpose of which is to present proposals or recommendations to Council;
(b) discussion papers, the purpose of which is to present background explanations, analyses of problems or policy options to Council for consideration by Council in making decisions;
(c) agenda of Council or records recording deliberations or decisions of Council;
(d) records used for or reflecting communications or discussions between ministers of the Crown on matters relating to the making of government decisions or the formulation of government policy;
(e) records, the purpose of which is to brief ministers of the Crown in relation to matters that are before, or are proposed to be brought before, Council or that are the subject of communications or discussions referred to in paragraph (d); and
(f) draft legislation.

(2) For the purposes of subsection (1), Council means the Queen's Privy Council for Canada, committees of the Queen's Privy Council for Canada, Cabinet and committees of Cabinet.

(3) Subsection (1) does not apply to
(a) confidences of the Queen's Privy Council for Canada that have been in existence for more than twenty years; or
(b) discussion papers described in paragraph (1)(b)
(i) if the decisions to which the discussion papers relate have been made public, or
(ii) where the decisions have not been made public, if four years have passed since the decisions were made.
*Privacy Act*, 1980-81-82-83, c. 111, Sch. II, s. 1; R.S.C. 1985, c. P-21, s. 70.

***Canada Evidence Act***

39. (1) Where a minister of the Crown or the Clerk of the Privy Council objects to the disclosure of information before a court, person or body with jurisdiction to compel the production of information by certifying in writing that the information constitutes a confidence of the Queen's Privy Council for Canada, disclosure of the information shall be refused without examination or hearing of the information by the court, person or body.

(2) For the purpose of subsection (1), a confidence of the Queen's Privy Council for Canada includes, without restricting the generality thereof, information contained in
(a) a memorandum, the purpose of which is to present proposals or recommendations to Council;
(b) a discussion paper, the purpose of which is to present background explanations, analyses of problems or policy options to Council for consideration by Council in making decisions;
(c) an agendum of Council or a record recording deliberations or decisions of Council;
(d) a record used for or reflecting communications or discussions between ministers of the Crown on matters relating to the making of government decisions or the formulation of government policy;
(e) a record, the purpose of which is to brief Ministers of the Crown in relation to matters that are brought before, or are proposed to be brought before, Council or that are the subject of communications or discussions referred to in paragraph (d); and
(f) draft legislation.

(3) For the purposes of subsection (2), Council means the Queen's Privy Council for Canada, committees of the Queen's Privy Council for Canada, Cabinet and committees of Cabinet.

(4) Subsection (1) does not apply in respect of
(a) a confidence of the Queen's Privy Council for Canada that has been in existence for more than twenty years; or
(b) a discussion paper described in paragraph (2)(b)
(i) if the decisions to which the discussion paper relates have been made public, or (ii) where the decisions have not been made public, if four years have passed since the decisions were made.
*Canada Evidence Act*, R.S.C. 1985, c. C-5, s. 39.